

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture Department- Fertilizers - AP Markfed – Nomination of AP Markfed as Nodal Agency for Procurement, Pre-Positioning, Maintenance of Buffer Stocks and Distribution of Fertilizers for the year 2021-22 & Operational Guidelines of Fertilizer Supply, Distribution & Monitoring for the year 2021-22 - Orders - Issued.

AGRICULTURE & COOPERATION (AGRI.III) DEPARTMENT

G.O.RT.No. 219

Dated: 19-04-2021

Read:-

From the Commissioner of Agriculture, AP., Guntur, Lr. No. Fert.(31)1/2021,
Dated:01.04.2021.

ORDER:-

In the circumstances reported by the Commissioner of Agriculture, A.P, Guntur, in the reference read above, Government, after careful examination of the matter, hereby nominate A.P.Markfed as Nodal agency of the Government of A.P, for procurement, pre-positioning, maintenance of Buffer Stocks and distribution of fertilizers for the Year 2021-22 on the following terms, subject to meeting the expenditure within the BE provision.

- a. To maintain buffer stock of 1.50 lakh MTs viz., 0.15 lakh MT of DAP, 0.25 lakh MT of complexes, 0.10 lakh MT of MOP and 1.00 lakh MT of Urea as per the district wise buffer stock level indicated by the C&DA.
- b. To permit AP Markfed to raise bank loans upto Rs. 500.00 crores for procurement, buffer maintains and distribution of fertilizers.
- c. Government to reimburse interest accrued on bank loans availed by Markfed on quarterly basis or till liquidation of the stocks procured and till clearance of all loans raised for the above purpose by allotting budget.
- d. Government to reimburse the cost of incidental expenditure such as insurance, handing, storage, and transportation etc., for the year 2021-22 and till the stocks are liquidated by allocating sufficient budget considering supply of fertilizers to the farmers up to RBK level.
- e. Government to bear the differential cost in the event of any downward price revision by Government/Fertilizer companies on the buffer stock available with Markfed Buffer Godowns, Hubs & RBKs and PACs.
- f. Government to bear the loss arising out of damage of stocks /forming of stocks into lumps / deformation & disclosing of bags due to longer storage in the buffer. The damaged stock renders unacceptable by farmers, societies & other retailers under general pricing terms compelling to sell at much reduced prices.
- g. To create B.E provision for 2021-22 Markfed projects a standalone expenditure of Rs.75 crores for 2021-22.
- h. The AP Markfed to liquidate fertilizer stocks by moving stocks on first-come first-serve basis to avoid formation of lumps/deformation of the buffer stocks, as the operations made by the AP Markfed are on commercial scale.

2. Further, Government hereby approved the Operational Guidelines on Fertilizers supply, distribution & monitoring for the year 2021-22, as annexed to this order.

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3. The Commissioner of Agriculture, A.P, Guntur and the MD, AP Markfed, A.P, Vijayawada, shall take further necessary action accordingly, in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

POONAM MALAKONDAIAH
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Commissioner of Agriculture, A.P.Guntur.
The MD, AP Markfed, A.P.Vijayawada.

Copy to:

P.S to Hon'ble Minister (Agriculture)
P.S.to Spl.C.S. to Govt., A&C Dept.
Sc.

// FORWARDED BY ORDER //

SECTION OFFICER

OPERATIONAL GUIDELINES ON FERTILIZER SUPPLY, DISTRIBUTION & MONITORING FOR THE YEAR 2021-22

I. SUPPLY PLAN

1. Month-wise, Product-wise fertilizer supply plan will be communicated to all District Joint Directors of Agriculture and manufacturers / suppliers / concerned based on monthly allotments approved by Department of Fertilizers (DoF) Govt. of India.
2. On receipt of the district monthly supply plan, the District Joint Directors of Agriculture should prepare Mandal / Village level or RBK Level / Product / Manufacturer wise District supply plan of the Month. This should be based on areas likely to be covered / requirement as per the seasonal conditions but not based on indents or requisitions from individuals / institutions.
3. The Joint Directors of Agriculture should duly prioritize the needy areas, based on the cropped areas/extent and Soil Health card data and in turn communicate the allotments to the ADAs/MAOs.
4. All MACS shall be treated as retailer.

II. DISTRIBUTION

1. On receipt of stocks at rake point, Rake in-charge Officer should monitor the distribution as per the allotment issued by Joint Director of Agriculture with the approval of District Joint Collector (RB&R).
2. Rake In-charge officer ensure that fertilizer physical movement should be carried out along with iFMS / RO module invoicing. Without RO module (Vehicle Challan) invoice, Fertilizer Movement is strictly restricted and rake In-charge officer allotted by the Agriculture Department will be responsible.
3. It is the responsibility of the Mandal Agricultural officer/ officer designated to intimate the farmers of villages through Village Agriculture Assistants (VAA) / Village Horticulture Assistants (VHA) pertaining to the allotment of fertilizers, availability, time and date of distribution of fertilizers by making wide publicity through tom-tom. The JDAs shall keep a close watch on the movement of rakes and if there is any delay in rake arrival / supplies this should be immediately informed by beat of tom-tom in the concerned villages and at RBK, so that farmers are kept informed and not put to inconvenience.
4. Wide publicity on availability of fertilizers should be given in the local press/electronic media to allay the fears among the farmers, and to avert panic buying by the farmers.
5. All the dealers, PACS & APMarkfed shall maintain the list of farmers who received fertilizer village wise in each mandal and same should be conveyed to concerned Mandal Agriculture Officer. The list of farmer's village wise list shall also be made available at respective village RBKs.
 1. Stock boards with price shall be displayed without fail.
 2. Fertilizers to farmers should be given based on their land holding size & soil health cards Recommendations only.

6 Buffer maintenance

- i. APMarkfed shall maintain buffer stocks of 1.00 LMT of Urea, 0.25 LMT of Complexes, 0.15 LMT of DAP & 0.10 LMT of MoP to avoid any hardship to the farmers.
- ii. Buffer maintenance by APMarkfed :- *APMarkfed should procure Urea, Complex, DAP and MoP as Buffer.*
- iii. **As the RBKs are the storage points in Villages for APMarkfed RBK Hubs, these storage spaces must be utilized as buffer storage points to reduce the cost of storage space as well as cost of secondary transport by APMarkfed.**
- iv. **Asses the exact quantity of different fertilizers required by the Village / RBK based on the expected cropped areas and pre-position at every RBK minimum 5 MTs of fertilizers as buffer.**

v. **Buffer Storage & Utilization**

Kharif season: - Buffer Buildup may be done from the allotments made from March to June and release to its members (AP Markfed RBK Hubs & PACSs), be made from July to September.

Rabi season:- Buffer Buildup may be done during October & November and release to its members from December to February.

This may be useful in utilizing the allotments made by the DoF during lean season and Releases from buffer during peak season may ease the fertilizer availability as well as keep fresh stock in every season.

The budgetary support given by the Government to the AP Markfed is essentially to maintain the buffer during the lean season and make available the same to the farmers in the peak season.

- vi. The JDAs should allot 50% of fertilizer stock of Urea to the AP Markfed up to the level of indicated buffer quantities and if any further requirement sought by AP Markfed may also be allotted, otherwise the balance quantities to be allotted to private dealer network. The AP Markfed should maintain district wise indicated buffer levels for distribution to the needy areas to avoid the spurt of Demand.
- vii. **As the fertilizer storage & distribution at village point through RBKs and the AP Markfed is the Nodal Agency for supply of fertilizers through RBK Hubs, it is essential to allot major quantity of fertilizers to AP Markfed. Hence, the JDA shall allot minimum 50% of fertilizers to AP Markfed and based on movement of Fertilizer through RBKs, additional requirement over and above 50% sought by AP Markfed shall be allotted.**
- viii. Joint Directors of Agriculture should give allotment of fertilizer from Buffer maintaining agency on first in first serve basis to avoid stocks of AP Markfed become old/lumpy. The AP Markfed shall replenish the stocks with fresh arrivals from time to time and maintain the buffer as indicated by C&DA. AP Markfed is also having responsibility of not piling old stock.
- ix. **Whenever the need for Complexes and DAP completed, APMarkfed is requested to maintain the Urea as Buffer over and above the quantities indicated for urea upl to the overall buffer limit of 1.50 LMT.**
7. Whenever the fertilizer requirement generated from RBKs, JDA's must give priority to fulfil those requirements.
8. Stocks should not be allotted to PACS, which are not financially sound/defaulters.
9. The allotment in the peak season to a retail dealer should be limited to 20 MTs only.

10. APMarkfed RBK Hubs / PACS may be allowed direct access to procure from the rake point whenever required as per the allotment indicated by the District Joint Collector (RB&R) to avoid delay. AP Markfed in their godowns should not hold stocks at the cost of farmers' requirement on the ground that PACS / RBK are delaying lifting of stocks.
11. Any Dealer (RBK, PACS, Private Retailer) should give fertilizers as per the acreage and limit made in DBT to a single farmer. The PACS should sell the stock to the members as well as non-members of villages attached to that PACS at the respective village point.
12. In case of products dispatched directly from the manufacturing units, the manufacturer should inform through mail/telephone to the rake in charge officer / district JDA/ C&DA about the product/Quantity/lorry number/time of dispatch and time of likely arrival at the retail dealer point (with address).
13. The supply of products shall be as per availability and production undertaken by the manufacturers and no branding to a particular product (in case of Urea Prilled) should be encouraged. Awareness should be created among the farmers on nutrient contents of different brands of a product and also encourage the usage of granular urea instead of prilled urea.
14. As a policy of implementing Aadhar enabled fertilizer distribution throughout the state from 01.12.2017, no dealer is allowed fertilizer sales without e-PoS device and All sale of fertilizers to the individual farmers shall be based on Bio-Metric authentication through e-PoS

6 MOVEMENT:

1. To prevent inter-state unauthorized/ illegal movement of fertilizers, the border District JDAs must keep constant vigil with check post authorities. The stocks supplied in the border districts should be super scribed "Meant for sale in Andhra Pradesh only".
2. The Manufacturers possessing whole sale license from the C&DA office, shall not move the stocks from one district to other district without prior approval from the C&DA office. The stocks meant for the district as per supply plan should be distributed in that district only.
3. Any modification in the allotment of fertilizers by the Joint Director of Agriculture to wholesale/ retail dealer shall be with specific permission by the District Joint Collector (RB&R) only.
4. All the manufacturers and wholesalers must follow DBT module and raise invoices only through R.O module. Invoicing in Real time without any deviation & ensure to send the vehicle challan hard copy generated using RO Module along with Physical movement of Fertilizer.

7 MONITORING

1. A Committee consisting of JDA, SP Vigilance, representatives of fertilizers companies, including lead Manufacturers representative, District Co-operative Officer, D.M. (MARKFED) & D.M (AP Agros) headed by the Joint Collector (RB&R) shall monitor supply of fertilizers to farmers through private dealers, AP Markfed Hubs, RBKs and PACS, on regular basis as per need.
2. District JDAs should keep continuous contact with the manufacturing/supplying companies' representatives at district level, specify the areas for supplying fertilizers well in advance and monitor the supply. Any shortfall / problems are to be brought to the notice of Commissioner of Agriculture, A.P.
3. The JDAs at the district level should organize district level fertilizer dealers' meeting during the First week of the month and coordinate the supplies as per supply plan.

4. The responsibility of Rake in-charge Officer/officer designated is to liaison with Railways & Ports from time to time and intimate the details of date of arrival of rakes / vessels and quantities to Joint Directors of Agriculture & also to C&DA's office. Similar information from Manufacturing Unit should be passed on to all concerned.
5. Monitoring cell / Control room at District level must be activated and **daily reporting** should be continued as per the proforma already communicated.
6. Constitute DBT Working group comprising all stakeholders and grievance redressal Mechanism at district level and sub-division level.
7. ADA/MAOs should ensure sales at every retailers point done through PoS device only and see whether retailer is acknowledging the received stock with in time (immediately after receiving physical stock).
8. Fertilizer Inspectors must visit all the retailer outlets in their jurisdiction from time to time to ensure physical stock of retailer dealer match with Pos stock.

8 NUTRIENT BASED SUBSIDY:

1. In the wake of "Nutrient Based Subsidy Policy", the per Metric Tonne subsidy of P & K fertilizers has been fixed by Department of Fertilizers, GoI. The details of Product-wise subsidies from time to time are available on the Official website of Department of Fertilizers (DoF).
2. The Maximum retail prices of P & K fertilizers will be decided by the Manufacturers/Companies. The Companies shall print clearly on the bags the following details :
 - (a) Maximum Retail price of the product (in Rs.)
 - (b) Applicable subsidy on the fertilizer bags (in Rs.)
 - (c) The batch number should be printed with indelible ink in the case of SSP bags.
3. Any sale above the printed MRP will be punished as per Act.

9 REGULATION:

1. Since 2012, the fertilizers licensing is being done through OLMs only. No district JDA and ADA's should allow issue of licenses through manual process.
2. All the JDAs are instructed to take stringent actions on erring dealers under FCO/EC ACT. Any soft pedaling by ADAs/JDAs is noticed will be viewed seriously.
3. Any sale above the printed MRP will be punishable under FCO. The fertilizer inspectors should inspect the retail outlets at frequent intervals and ensure that the fertilizers are sold at maximum retail prices printed on the bags.
4. JDA should organize decoy operations to find out any fertilizer sale over and above MRP. Further a press Note shall be given at the beginning of the season on MRP of various fertilizer items and farmers shall be given toll free No. for bringing MRP violations to notice of district administration.

5. The JDAs should obtain the product wise, Company wise MRPs (indicating the retail price, GST applicable & subsidy applicable separately) fixed and printed on the bags by the manufacturers and submit the details to the office of C&DA.
6. Internal squads should be formed as and when required for enforcement of FCO provisions,
- To ensure the printing of prices on every bag,
 - To monitor that the fertilizer bags sold over and above MRP.
 - The private dealers shall be directed to display a big banner mentioning the MRP of Fertilizers along with departmental Toll free no in telugu for the knowledge of farmers.
7. The request for inclusion of new godowns of the fertilizer Companies shall be processed and granted as per the procedures speedily whenever the stocks are moved to new godowns during peak season of Fertilizer movement by the concerned notified authority in their jurisdiction.
8. Action taken report against violators of FCO 1985 provisions, should be submitted by 5th of every month without fail.

REPORTING:

1. Information on day-wise supplies from the manufacturers should be collected, cross-checked with retailers about actual arrivals and sales to farmers and closing balances (ground stocks) should be reported to the Commissionerate.
2. Daily Fertilizer availability report should be submitted in the following proforma:

S.No	Product	Opening Balances	Receipts (*)	Availability	Sales	Closing Balances
1	2	3	4	5 (3+4)	6	7 (5-6)

The above information should be furnished for the stocks with Private Dealers (retailers and wholesale dealers), MARKFED and Company Godowns.

(*Receipt: Company, product-wise receipts to be furnished.)

As the government resolved to make the fertilizer available to the needy farmers at RBK village point, the JDAs through the departmental functionaries shall sensitize all the farmers about the facility and encourage the farmers to get their fertilizer through RBKs at village point. Continuous monitoring to assess the percentage of total fertilizer quantity supplied through RBKs shall be made to ensure maximum percentage is achieved.

Fertilizer - Buffer Targets for the Year 2021-22

(In MTs)

S. NO	DISTRICT	UREA	DAP	COMPLEX	MOP	TOTAL
1	Srikakulam	7600	600	600	400	9200
2	Vizianagaram	7600	600	600	400	9200
3	Visakhapatnam	5000	300	500	200	6000
4	East Godavari	11000	1500	2100	1000	15600
5	West Godavari	11000	1500	2900	1000	16400
6	Krishna	10000	2400	3600	1600	17600
7	Guntur	11000	3300	3900	2200	20400
8	Prakasam	4400	600	1800	400	7200
9	Nellore	6400	600	1800	400	9200
10	Kurnool	10000	1800	4600	1200	17600
11	Anantapur	5200	600	1000	400	7200
12	Kadapa	5200	600	1000	400	7200
13	Chittoor	5600	600	600	400	7200
TOTAL		100000	15000	25000	10000	150000

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